

Obama aims to use war savings on infrastructure

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WASHINGTON Jan 25 — President Barack Obama proposed spending half the money America will save from the end of its wars in Iraq and Afghanistan on high-speed rail lines and repair work for the nation's creaking roads and infrastructure.

The proposal will face an uphill battle in Congress where Republicans frequently point to high-speed rail projects as a waste of money at a time of tight budgets.

The proposal was included Obama's annual State of the Union speech to Congress. They provided no dollar figures for his proposal. Obama said the other half of the money saved winding down the wars would go to paying down US debt.

Obama wants to continue investments in high-speed rail that began with US\$8 billion (RM24.8 billion) from the 2009 economic stimulus plan enacted to fight the nation's deep recession.

Last year, he proposed a US\$556 billion, six-year transport plan that included high-speed funds, but which went nowhere in Congress.

Nearly a year ago, Florida Gov. Rick Scott rejected US\$2.4 billion in federal funds to build a high-speed line between Tampa and Orlando, saying it would put the state on the hook for billions of dollars it did not have. The fate of California's US\$100 billion project also looks unclear.

In recent years, the United States has fallen sharply in the World Economic Forum's ranking of national infrastructure systems.

The American Society of Civil Engineers estimates the country needs to invest roughly US\$220 billion annually to maintain the country's infrastructure in "minimum tolerable conditions."

Obama said he will sign an executive order in coming weeks to speed regulatory approval for capital works projects, fulfilling a promise to cut "red tape." Last August, Obama presented the projects as a way to get construction workers back on the job without spending additional dollars. — Reuters

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